# LEGISLATIVE ASSEMBLY.

THIRD DAY

*Friday, 17th March 1950.*

The Assembly met in the Assembly Hall, Old Public Offices, Bangalore, at Twelve of the Clock.

Mr. Speaker (Sri V. Venkatappa) in the Chair.

## STARRED QUESTIONS

**(to which oral answers were given,)**

**Mr. SPEAKER** (Sri V. Venkatappa).—Question No. 35.

### Reserve Funds.

*Q.—35. **Sri A. BHEEMAPPA NAIK** (Chitaldrug District—General).—

Will the Government be pleased to state :—

(*a*) the amount of reserve fund built up to 1947-48 on several items ;

(*b*) the balance in the several funds now ;

(*c*) the period during which and the purpose for which these funds were spent by the Government?

*A.—**Sri H. C. DASAPPA** (Minister for Finance and Industries).—

(*a*) and (*b*) The following are the reserves and the balances at the end of 30th June 1948 and 30th June 1949:—

| | (In lakhs of rupees.) 30-6-1948. | 30-6-1949. |
|---|---|---|
| (1) Famine Insurance Reserve (for financing distress and famine relief works) ... ... | 69·41 | 64·10 |
| (2) Sinking Fund (for redeeming Public Debt.) | 356·05 | 384·65 |
| (3) Depreciation Funds inclusive of General Reserve of Industrial Concerns (for renewals and replacements) ... | 647·19 | 648·47 |
| (4) Special Reserve:— Capitalising Gold Mining Revenue to compensate loss of revenue from Mining Companies ... ... | 149·11 | 149·11 |
| Reserve for non-recurring expenditure including reserve for Post-war Schemes (for meeting charges of non-recurring nature and Development Schemes) ... | 681·80 | 491·19 |
| Total ... | 1,903·56 | 1,737·52 |

(*c*) Since the information asked for is for an indefinite period, it is not practicable to furnish the information. The purpose has been noted under item (*b*) above.

**Sri A. BHEEMAPPA NAIK.**—Will the Hon'ble Minister be pleased to state whether the balances as stated in answer to clause (*b*) as on 30th June 1949 are cash balances at present?

**Sri H. C. DASAPPA.**—Either cash or securities.

**Sri A. BHEEMAPPA NAIK.**—Are they gilt-edged securities ?

**Sri H. C. DASAPPA.**—May be either or both.

**Sri A. BHEEMAPPA NAIK.**—Are they in banks or in Government Treasuries ?

**Sri H. C. DASAPPA.**—Notice.

**Sri A. BHEEMAPPA NAIK.**— I have asked for balances and the amount of reserves built. Here under both the heads it is not mentioned whether they are balances or accounts.

**Sri H. C. DASAPPA.**—Whatever question has been put has been answered. Please let us know what is not answered.

**Sri A. BHEEMAPPA NAIK.**—I have asked for the amount of reserve fund built up. What is the fund built on 30th June 1949 and what is the balance on that day and in what form ?

**Sri H. C. DASAPPA.**—The whole information is given.

**Sri A. BHEEMAPPA NAIK.**—I have asked information under two heads (*a*) and (*b*). Government have given and the answer in lakhs of rupees ; which is the balance and which is the amount built ?

**Sri H. C. DASAPPA.**—Please see the answers. Famine Insurance Reserve—we have given the full balance ; Sinking Fund—we have given the full balance. As regards Depreciation

Funds, according to a certain principle followed fifty per cent of it must be in gilt-edged securities and the rest of it may be in the shape of capital outlay.

**Sri A. BHEEMAPPA NAIK.**—The total cash balances shown on 30th June 1949, are Rs. 1,737·52 lakhs. How much of it is in capital outlay and how much is in cash, may I know?

**Sri H. C. DASAPPA.**—Notice. I can only tell the Hon'ble Member how much we are under an obligation to invest in gilt-edged securities.

**Sri A. BHEEMAPPA NAIK.**—What are the works that have been taken up in the form of capital outlay? Can the Hon'ble Minister give the details of the works?

**Sri H. C. DASAPPA.**—No details can be given; but the answer is there: for meeting charges of a non-recurring nature and development schemes. Has the Hon'ble Member got any question on that?

**Sri A. BHEEMAPPA NAIK.**—I want to know the works taken up by spending these reserves. I am not asking for the details of works. I want to know the total amount spent on general works like hydro-electric works and so on.

**Sri H. C. DASAPPA.**—The reserves there are spent for certain items of a non-recurring nature. Of the items of a non-recurring nature are buildings in departments like Police, Medical and so on. Then we have got certain special repairs for roads. Then we have got certain development schemes like cinchona under Forest, special equipment for hospitals and so on. All these come under development schemes.

**Sri A. BHEEMAPPA NAIK.**—Were not the previous Governments spending for items of this nature from the normal revenues of each year?

**Sri H. C. DASAPPA.**—The Special Reserve Fund was built up for meeting just the expenditure which I have now disclosed.

**Sri A. BHEEMAPPA NAIK.**—How much of gilt-edged securities have been sold by the Government of Mysore from 1948 onwards?

**Sri H. C. DASAPPA.**—Notice. The Hon'ble Member has got to put a separate question.

ಶ್ರೀ ಎಂ. ಗೋವಿಂದರೆಡ್ಡಿಯವರು (ಚಿತ್ರದುರ್ಗ ಜಿಲ್ಲೆ).—ರಿಸರ್ವ್ಸ್ ಹೆಚ್ಚಾಗಿದ್ದಷ್ಟೂ ನರ್ಕಾರದ ಕ್ರೆಡಿಟ್ ಹೆಚ್ಚುತ್ತದೆಯಲ್ಲವೇ?

ಶ್ರೀ ಎಚ್. ಸಿ. ದಾಸಪ್ಪನವರು.—ಹಾಗೇನೂ ತತ್ವ ಇಲ್ಲ. ಪ್ರೊಡಕ್ಟಿವ್ ಅಸೆಟ್ಸ್ ಹೇಗಿರುತ್ತದೆಯೋ ಆದರ ಮೇಲೆ ಬಹು ಮಟ್ಟಿಗೆ ಕ್ರೆಡಿಟ್ ನಿಲ್ಲುತ್ತೆ. ಬರೀ ಸೆಕ್ಯೂರಿಟೀಸ್‌ಗಳ ಮೇಲೆ ಅಲ್ಲ.

ಶ್ರೀ ಎಂ. ಗೋವಿಂದರೆಡ್ಡಿಯವರು.—ನರ್ಕಾರದ ಕ್ರೆಡಿಟ್ ಹೆಚ್ಚಿಸಲಕ್ಕೆ ರಿಸರ್ವ್ಸ್ ಇರುವುದು ಒಂದು ಮುಖ್ಯ ಅಂಶ ಅಲ್ಲವೇ?

**Sri H. C. DASAPPA.**—It may be one of the many, but not necessarily the main.

ಶ್ರೀ ಎಂ. ಗೋವಿಂದರೆಡ್ಡಿಯವರು.—ರಿಜರ್ವ್‌ನ್ನು ಇನ್ನು ಮುಂದಾದರೂ ಅಭಿವೃದ್ಧಿ ಪಡಿಸುವುದಕ್ಕೆ ಕಾರ್ಯಕ್ರಮ ತೆಗೆದುಕೊಳ್ಳುತ್ತಾ ಇದ್ದಾರೆಯೇ?

**Sri H. C. DASAPPA.**—Reserves are meant to be used; not merely to be hoarded. On that Government are fairly clear.

ಮುಷೀರ್-ಉಲ್-ಮುಲ್ಕ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು (ಚಿತ್ರದುರ್ಗ ಮತ್ತು ತುಮಕೂರು-ಮುನ್ಸಿಂ).—ರಿಸರ್ವ್ಸ್ ಸ್ಥಿತಿ 1950ನೆ ಫೆಬ್ರುವರಿಯಲ್ಲಿ ಯಾವ ರೀತಿ ಇತ್ತು ಎಂದು ಹೇಳಬಲ್ಲರಾ; ಇಲ್ಲ ತಾವು ಕೊಟ್ಟಿರುವುದು 30-6-1949ಕ್ಕೆ ಈಗ ಫ್ಯಾಮಿನ್ ಇನ್‌ಷ್ಯೂರೆನ್ಸ್ ಫಂಡಿನಲ್ಲಿ ಎಷ್ಟಿದೆ, ಬೇರೆ ಬಾಬುಗಳಲ್ಲಿ ಎಷ್ಟಿದೆ ಎಂಬುದನ್ನು ಹೇಳುವುದಕ್ಕಾಗುತ್ತದೆಯೇ?

**Sri H. C. DASAPPA.**—We can only give a rough estimate. That is in the Budget and I cannot disclose it now.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—30-6-47ರಲ್ಲಿ ಈ ಬಾಬುಗಳಲ್ಲಿ ಎಷ್ಟು ರಿಸರ್ವ್ ಇತ್ತು ಎಂಬುದನ್ನು ತಿಳಿಸಬಲ್ಲರಾ?

**Sri H. C. DASAPPA.**—I may be able to give. It takes some time. I want notice for that.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಇಂಡಸ್ಟ್ರೀಸ್, ಇರಿಗೇಷನ್ ಡೆವಲಪ್‌ಮೆಂಟ್—ಈ ಬಾಬುಗಳಲ್ಲಿ ಎಷ್ಟೆಷ್ಟು ಇದೆ ಎಂಬುದನ್ನು ಹೇಳುವುದಕ್ಕೆ ಸಾಧ್ಯವೇ?

**Sri H. C. DASAPPA.**—That is not covered by the question of reserves.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ರಿಸರ್ವ್ಸ್ ನಲ್ಲಿರತಕ್ಕ ಫಂಡ್ ವಿಚಾರವನ್ನೇ ಕೇಳುತ್ತಿದ್ದೇನೆ. There is a Special Irrigation Development Fund.

**Sri H. C. DASAPPA.**—Sri Bheemappa Naik's question refers to the amount of reserves built and the balance ofseveral funds which in the context can only refer to the reserves.

**Janab J. MAHOMED IMAM.**—I submit to the Chair that the Irrigation Development Fund forms part of the reserves.

**Sri H. C. DASAPPA.**—That does not come under this head.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಅದ ಕ್ಕೋಸ್ಕರ ನಾನು ಈ ಇರಿಗೇಷ್ಷ ಫಂಡ್ ರಿಜರ್ವಿನಲ್ಲಿ ಎಷ್ಟಿರುತ್ತೆಂದು ಕೇಳಿದೆ.

ಅಧ್ಯಕ್ಷರು.—ಈ ರಿಜರ್ವ್ ಫಂಡುಗಳ ವಿಚಾರ ಇದರಲ್ಲಿ ಬರುವುದಿಲ್ಲ.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಹೋಗಲಿ; ಅದು ಬಾರದಿದ್ದರೂ ಚಿಂತೆಯಿಲ್ಲ. ಹಣ ಎಷ್ಟಿತ್ತೆಂಬುದನ್ನಾದರೂ ಹೇಳಬಲ್ಲರಾ?

**Sri H. C. DASAPPA.**—Please wait till the information is given.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಈ ಇಂಡಸ್ಟ್ರೀಸ್ ಇನ್‌ವೆಸ್ಟ್‌ಮೆಂಟಿನಲ್ಲಿ ಈಗ ಎಷ್ಟು ಹಣ ವಿದೆಯೆಂಬುದನ್ನಾದರೂ ಹೇಳುವುದಕ್ಕಾಗುತ್ತದೆಯೇ?

**Sri H. C. DASAPPA.**—No special reserve for that.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಹಾಗಾದರೆ ಹಿಂದೆ ಈ ರಿಸರ್ವ್‌ನಲ್ಲಿ ಫ್ಯಾಮಿಲಿ ರಿಸರ್ವ್, ಡೆವಲಪ್‌ಮೆಂಟ್ ರಿಸರ್ವ್ ಇತ್ಯಾದಿ ಸ್ಪೆಷಲ್ ರಿಸರ್ವ್‌ಗಳನ್ನೇ ಮಾಡಿರಲಿಲ್ಲವೇ?

**Sri H. C. DASAPPA.**—No.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಹಾಗಾದರೆ ರಿಸರ್ವ್‌ನಲ್ಲಿ ಯಾವ ಯಾವ ಫಂಡ್ ಎಷ್ಟೆಷ್ಟಿತ್ತು?

**Sri H. C. DASAPPA.**—It is only with regard to special reserves I am called upon to answer just now. If my friend wants any information about any other development fund, I would be glad to furnish the same.

ಜನಾಬ್ ಜೆ. ಮಹಮದ್ ಇಮಾಂರವರು.—ಹಿಂದೆ ತಾವು ನಮಗೆ ಕೊಟ್ಟಿದ್ದ ಮೆಮೋರಾಂಡಮ್ಮಿನಲ್ಲಿ ತಾವು ನೋಡಿದರೆ ಚೆನ್ನಾಗಿ ಗೊತ್ತಾಗುತ್ತದೆ. ಹೋದ ವರ್ಷದ ಬಡ್ಜೆಟ್ ಮೆಮೋರಾಂಡಮ್ಮಿನ 44ನೆಯ ಪುಟದಲ್ಲಿ "ರಿಸರ್ವ್" ಅನ್ನುವ ಹೆಡ್ಡಿನ ಕೆಳಗೆ ಈ ವಿವರಗಳನ್ನು ಕೊಡಲಾಗಿದೆ. ಆದಕಾರಣ ಆ ತಪ್ಪ ಶೀಲುಗಳನ್ನು ತಿಳಿಸಬೇಕೆಂದು ನಾನೀಗ ಕೇಳಿದೆ.

**Sri H. C. DASAPPA.**—I could ask you to refer to page 44 itself where you have got the other Development Funds and Road Fund. As regards the details of special reserve fund, you must turn to page 55.

**Mr. PRESIDENT.**—Now Sri Rangaramiah will put his supplementaries.

ಶ್ರೀ ಎಸ್. ರಂಗರಾಮಯ್ಯನವರು (ಮೈಸೂರು ಜಿಲ್ಲೆ).—ಈ 'ರಿಸರ್ವ್' ಗಳಲ್ಲಿ ಇಷ್ಟೇ ಹಣವಿರಬೇಕೆಂಬ ನಿಯಮವೇನಾದರೂ ಇದೆಯೇ?

**Sri H. C. DASAPPA.**—That again is to be found on page 55. It shows as regards, for instance, the Famine Insurance Reserve and the Sinking Fund that the whole of it must be in securities. Then as regards the Depreciation Fund, it is 50 per cent and so on. There is a certain ratio fixed for various funds. That you will find on page 55.

**Sri H. SIDDAVEERAPPA** (Chitaldrug District—General).—May I know if out of this reserve any amount has been spent on food subsidy?

**Sri H. C. DASAPPA.**—In regard to food operations, if there were to be any loss, they will be debited to these funds to the extent possible.

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## Nomination of a Government Director to the Board of Management of Gold Mining Companies.

* *Q.*—50. **Sri T. SUBRAMANYA** (Tumkur District—General).—

Will the Government be pleased to state:—

(*a*) whether any agreement was thought of being entered into between the Government of Mysore and the Gold Mining Companies at the time of the repeal of the gold duty;

(*b*) whether any agreement was entered into;

(*c*) if so, whether the agreement was signed;

(*d*) whether it was agreed to at that time that a Government Director be nominated to the Directorate of the Board of Management;

(*e*) whether any such Director was nominated by Government;

(*f*) if not, why?

*A.*—**Sri H. C. DASAPPA** (Minister for Finance and Industries).—

(*a*) Yes.

(*b*) Yes, only on a provisional basis.

(*c*) Yes.

(*d*) Yes.

(*e*) No.

(*f*) The matter had to be negotiated further in the light of discussions in the former Legislature.

**Sri T. SUBRAMANYA.**—In the answer it is stated 'The matter had to be negotiated further in the light of